

MOTION BY SUPERVISOR MARK RIDLEY-THOMAS

JULY 16, 2013

Helping Uninsured County Residents Apply for and Remain on Health Benefits

Coverage

In November 2010, the State Department of Health Care Services (DHCS) received approval from the Center for Medicare and Medicaid Services (CMS) for the California "Bridge to Reform" Demonstration 1115 Medicaid Waiver. One component of the 1115 Waiver is the Low Income Health Program (LIHP) which provides comprehensive health services for uninsured individuals. Currently, federal guidelines require an annual eligibility redetermination for LIHP enrollees. Many LIHP enrollees lose coverage during this annual redetermination process because they do not complete and submit the required burdensome paperwork.

The LIHP is a critical component of the State's efforts to prepare uninsured individuals and health care providers for health reform implementation. The LIHP represents the largest early coverage expansion effort in the nation. There are

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currently over 550,000 Californians enrolled in county-administered LIHPs throughout the State. The County of Los Angeles voluntarily participates in the LIHP and its program is known as Healthy Way LA. There are over 230,000 Healthy Way LA enrollees. The LIHPs will terminate on December 31, 2013 because, as a result of federal health reform (i.e., the Patient Protection and Affordable Care Act), all LIHP enrollees will be eligible for health insurance through Medi-Cal or under Covered California as of January 1, 2014. In fact, LIHP enrollees comprise almost one-third of the estimated 1.7 million adults who will be newly eligible for Medi-Cal.

Assembly Bill 1 (Perez) implements various provisions of the federal Affordable Care Act. As a result of AB 1, individuals who are enrolled in Healthy Way LA as of December 31, 2013 will be directly transitioned into Medi-Cal. AB 1 also outlines several programmatic changes to seamlessly transition LIHP enrollees into Medi-Cal and Covered California. This is critical to avoid disruptions in coverage and to maximize enrollment into Medi-Cal and Covered California for the early part of 2014.

To facilitate this, AB 1 adds Section 14005.61(h) to the Welfare and Institutions Code that states California Department of Health Care Services (State DHCS) “may, with federal approval, suspend, delay, or otherwise modify the requirement for LIHP program eligibility redeterminations in 2013 to facilitate the process of transitioning LIHP enrollees to other health coverage in 2014.” This language is permissive and does not require State DHCS to seek this flexibility.

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State DHCS should seek federal approval to allow counties the option to suspend redeterminations during the LIHP transition period in Fall 2013, specifically for enrollees with annual renewal dates in October, November and December of 2013, as long as these individuals would remain continuously enrolled in the LIHPs through December 31, 2013. As newly enrolled Medi-Cal adults (effective January 1, 2014), these former LIHP enrollees will have their eligibility redetermined under the new Medi-Cal rules in 2014 on a phased-in basis. A suspension of redeterminations for LIHP enrollees during this time period would help facilitate the transition process in several ways: (1) it would enable LIHP to focus on and maximize enrollment before the transition; (2) it would minimize confusion with State DHCS materials being sent to individuals during the same time regarding Medi-Cal and/or Covered California enrollment; and (3) it would allow county LIHP to effectively and smoothly transition enrollees.

State DHCS recognizes the value of suspending redeterminations for health care programs in light of health reform implementation and is seeking this for the Medi-Cal program. AB 1 adds Welfare and Institutions Code Section 14005.37(u) which requires that State DHCS to "seek federal approval to extend the annual redetermination date under this section for a three-month period for those Medi-Cal beneficiaries whose annual redeterminations are scheduled to occur between January 1, 2014, and March 31, 2014."

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As the State DHCS pursues federal approval to extend the annual redetermination dates for Medi-Cal beneficiaries, it is incumbent that they seek similar flexibility for the LIHP. It is in the strong interest of the Board of Supervisors to actively encourage the State Department of Health Care Services to seek federal approval to suspend, delay, or otherwise modify the requirement for LIHP program eligibility redeterminations in 2013 in an effort to ensure the seamless transition of the maximum number of Healthy Way LA enrollees as possible into Medi-Cal.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Urge the California Department of Health Care Services to seek approval from the Secretary of the U.S. Department of Health and Human Services to allow Low Income Health Programs (LIHP) to suspend redeterminations for enrollees with annual renewal dates in October, November and December of 2013, as long as these individuals would remain continuously enrolled in the LIHPs through December 31, 2013.
2. Direct the Chief Executive Officer and the County's Legislative Advocates in Sacramento to transmit a letter stating the Board's support for the State Department of Health Care Services to implement Welfare and Institutions Code Section 14005.61(h) suspending eligibility redeterminations for participants in LIHP transitioning to Medi-Cal.

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